

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

* * * * *

In the Matter of:

| | | |
|---------------------------------------|---|----------|
| APPLICATION OF MOUNTAIN UTILITIES, |) | |
| INC., FOR A RATE INCREASE AND AUTHOR- |) | CASE NO. |
| ITY TO BORROW CERTAIN AMOUNTS TO |) | 8425 |
| APPLY ON ITS CURRENT INDEBTEDNESS |) | |

O R D E R

On July 26, 1982, Mountain Utilities, Inc., ("Mountain") filed a motion to set aside and vacate item four of the summary of findings in the Commission's Order of July 6, 1982, and to include the Pratt Judgment as a valid indebtedness of Mountain. The Commission will treat this motion as a petition for rehearing pursuant to KRS 278.400. On July 29, 1982, the Attorney General filed a response in opposition to Mountain's motion.

The finding of fact to which Mountain objects states that:

(4) The recovery of the Pratt Judgment through rates and surcharges would be unjust and unfair to the ratepayers and should be denied.

Mountain bases its motion on two arguments, one being an allegation that ". . . such finding as set out in Item 4 is contrary to the rules and regulations of this Commission as adopted and approved." The other argument is that the Commission's Order of July 6, 1982, is inconsistent with prior Orders involving Johnson County Gas Company, Inc.

Based upon the evidence of record and being advised, the Commission is of the opinion and finds that:

1. Mountain has failed to specify the rules and regulations of the Commission which it alleges are contrary to the Commission's findings in its Order of July 6, 1982.

2. Item four of the summary of findings in the Commission's Order of July 6, 1982, is not contrary to any of the Commission's rules and regulations.

3. The Commission's Order of July 6, 1982, is consistent with its Orders in Johnson County Gas Company, Inc., (Case No. 8235), Western Kentucky Gas Company (Case No. 8227) and Union Light, Heat and Power Company (Case No. 8373). In those cases the Commission ordered shareholders to bear unusual and nonrecurring expenses associated with injuries and damages because such expenses are within the risk expectations of the shareholders.

IT IS THEREFORE ORDERED that Mountain's motion be and it hereby is denied.

Done at Frankfort, Kentucky, this 9th day of August, 1982.

PUBLIC SERVICE COMMISSION

Marlin M. Voth
Chairman

Katherine Bendall
Vice Chairman

Don Carver
Commissioner

ATTEST:

Secretary